



General Assembly

January Session, 2017

***Raised Bill No. 7120***

LCO No. 4199



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:  
(HED)

***AN ACT CONCERNING POSTSECONDARY CAREER SCHOOLS.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Subdivision (1) of section 10a-22a of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2017*):

4 (1) "Private occupational school" means a postsecondary career  
5 school operated by a person, board, association, partnership,  
6 corporation, limited liability company or other entity offering or  
7 advertising vocational instruction in any form or manner in any trade,  
8 industrial, commercial, service, professional or other occupation for  
9 any remuneration, consideration, reward or [promise] fee of whatever  
10 nature, including, but not limited to, a hospital-based occupational  
11 school, or any program, school or entity offering postsecondary  
12 instruction in barbering or hairdressing. [, except "private occupational  
13 school" shall] "Private occupational school" does not include (A)  
14 instruction offered under public supervision and control, [;] (B)  
15 instruction conducted by a firm or organization solely for the training

16 of its own employees or members, [; or] (C) instruction offered by a  
17 school authorized by the General Assembly to confer degrees, or (D)  
18 instruction offered in the arts or recreation, including, but not limited  
19 to, the training of students to provide such instruction;

20 Sec. 2. Subsection (c) of section 10a-22b of the general statutes is  
21 repealed and the following is substituted in lieu thereof (*Effective July*  
22 *1, 2017*):

23 (c) Each person, board, association, partnership, corporation, limited  
24 liability company or other entity which seeks to offer occupational  
25 instruction shall submit to the executive director, or the executive  
26 director's designee, in such manner as the executive director, or the  
27 executive director's designee, prescribes, an application for a certificate  
28 of authorization which includes, but need not be limited to, (1) the  
29 proposed name of the school; (2) ownership and organization of the  
30 school including the names and addresses of all principals, officers,  
31 members and directors; (3) names and addresses of all stockholders of  
32 the school, except for applicants which are listed on a national  
33 securities exchange; (4) addresses of any building or premises on  
34 which the school will be located; (5) description of the occupational  
35 instruction to be offered; (6) the proposed student enrollment  
36 agreement, which includes for each program of occupational  
37 instruction offered a description, in plain language, of any  
38 requirements for employment in such occupation or barriers to such  
39 employment pursuant to state law or regulations; (7) the proposed  
40 school catalog, which includes for each program of occupational  
41 instruction offered a description of any requirements for employment  
42 in such occupation or barriers to such employment pursuant to state  
43 law or regulations; (8) financial statements detailing the financial  
44 condition of the school pursuant to subsection (d) of this section and  
45 subsection (g) of section 10a-22d, as amended by this act, prepared by  
46 management and reviewed or audited, or, for a nonaccredited school  
47 [offering instruction in barbering or hairdressing and] annually  
48 enrolling fewer than ten students, compiled, by an independent

49 licensed certified public accountant or independent licensed public  
50 accountant; and (9) an agent for service of process. Each application for  
51 initial authorization shall be accompanied by a nonrefundable  
52 application fee made payable to the private occupational school  
53 student protection account in the amount of two thousand dollars for  
54 the private occupational school and two hundred dollars for each  
55 branch of a private occupational school in this state.

56 Sec. 3. Subsection (i) of section 10a-22b of the general statutes is  
57 repealed and the following is substituted in lieu thereof (*Effective July*  
58 *1, 2017*):

59 (i) Any program, school or other entity offering postsecondary  
60 career instruction in any form or manner in barbering or hairdressing  
61 for any remuneration, consideration, reward or [promise] fee shall  
62 obtain a certificate of authorization from the executive director of the  
63 Office of Higher Education for the occupational instruction offered.  
64 Each program, school or entity approved on or before July 1, 2013, by  
65 the Connecticut Examining Board for Barbers, Hairdressers and  
66 Cosmeticians pursuant to chapter 368 or 387 that submits an  
67 application for initial authorization shall pay an application fee of five  
68 hundred dollars made payable to the private occupational school  
69 student protection account. The executive director of the Office of  
70 Higher Education shall develop a process for prioritizing the  
71 authorization of such barber and hairdressing programs, schools and  
72 entities. Such programs, schools and entities shall be in compliance  
73 with this section on or before July 1, 2015, or when required pursuant  
74 to the executive director's process, whichever is earlier. No person,  
75 board, association, partnership corporation, limited liability company  
76 or other entity shall establish a new program, school or other entity  
77 that offers instruction in any form or manner in barbering or  
78 hairdressing on or after July 1, 2013, unless such person, board,  
79 association, partnership, corporation, limited liability company or  
80 other entity first receives from the executive director of the Office of  
81 Higher Education a certificate authorizing the barbering or

82    hairdressing occupational instruction to be offered in accordance with  
83    the provisions of this section.

84        Sec. 4. Subsection (g) of section 10a-22d of the general statutes is  
85    repealed and the following is substituted in lieu thereof (*Effective July*  
86    *1, 2017*):

87        (g) Each private occupational school shall keep financial records in  
88    conformity with generally accepted accounting principles. An annual  
89    financial statement detailing the financial status of the school shall be  
90    prepared by school management and reviewed or audited, or, for a  
91    nonaccredited school [offering instruction in barbering or hairdressing  
92    and] annually enrolling fewer than ten students, compiled, by a  
93    licensed certified public accountant or licensed public accountant in  
94    accordance with standards established by the American Institute of  
95    Certified Public Accountants. A copy of such financial statement shall  
96    be filed with the executive director on or before the last day of the  
97    fourth month following the end of the school's fiscal year, except in the  
98    case of a nationally accredited school recognized by the United States  
99    Department of Education, in which case such financial statement shall  
100   be due on or before the last day of the sixth month following the end of  
101   the school's fiscal year. Only audited financial statements shall be  
102   accepted from a nationally accredited school. Upon a nonaccredited  
103   school's written request, the executive director may authorize, for good  
104   cause shown, a filing extension for a period not to exceed sixty days.  
105   No filing extensions shall be granted to a nationally accredited school.

106        Sec. 5. Section 10a-22n of the general statutes is repealed and the  
107    following is substituted in lieu thereof (*Effective July 1, 2017*):

108        (a) A private occupational school shall maintain, preserve and  
109    protect, in a manner approved by the executive director, or the  
110    executive director's designee, all school records including, but not  
111    limited to: (1) Student or academic transcripts, including, in a separate  
112    file, a duplicate copy of the academic transcript of each student who

113 graduated from such school, and a duplicate copy of the academic  
114 transcript of each student enrolled at such school that contains the  
115 student's name, address, program of study, length of such program of  
116 study, grade point average and courses completed; (2) attendance  
117 records or other indicators of student progress; (3) copies of individual  
118 enrollment agreements or contracts; (4) evidence of tuition payments;  
119 and (5) any other documentation as prescribed by the executive  
120 director.

121 (b) The executive director, or the executive director's designee, may  
122 at any time during regular business or school hours, with or without  
123 notice, visit a private occupational school. During such visitation, the  
124 executive director, or the executive director's designee, may request an  
125 officer or director of the school to produce, and shall be provided with  
126 immediate access to, such records or information as are required to  
127 verify that the school continues to meet the conditions of  
128 authorization. If the executive director determines that such private  
129 occupational school has not maintained, preserved or protected school  
130 records in accordance with this section, the executive director may  
131 assess an administrative penalty on such private occupational school  
132 pursuant to section 10a-22i.

133 (c) If a school ceases to operate as a private occupational school, it  
134 shall (1) immediately transmit all student or academic transcripts,  
135 described in subdivision (1) of subsection (a) of this section, to the  
136 executive director, and (2) keep the executive director advised in  
137 writing as to the location and availability of all other student records  
138 or shall file all such other student records with the executive director.

139 (d) The executive director shall maintain all records, files and other  
140 documents associated with private occupational schools in a manner  
141 consistent with the mission and responsibilities of the Office of Higher  
142 Education.

143 Sec. 6. Section 10a-22v of the general statutes is repealed and the

144 following is substituted in lieu thereof (*Effective July 1, 2017*):

145 Any student enrolled in a private occupational school authorized in  
146 accordance with the provisions of sections 10a-22a to 10a-22o,  
147 inclusive, as amended by this act, who is unable to complete [a] an  
148 approved course or unit of instruction at such school because of the  
149 insolvency or cessation of operation of the school and who has paid  
150 tuition for such course or unit of instruction, may, not later than two  
151 years after the date on which such school became insolvent or ceased  
152 operations, make application to the executive director for a refund of  
153 tuition from the account established pursuant to section 10a-22u to the  
154 extent that such account exists or has reached the level necessary to  
155 pay outstanding approved claims, except that in the case of distance  
156 learning and correspondence schools authorized in accordance with  
157 the provisions of sections 10a-22a to 10a-22o, inclusive, as amended by  
158 this act, only Connecticut residents enrolled in such schools may be  
159 eligible for such refund. Upon such application, the executive director  
160 shall determine whether the applicant is unable to complete a course  
161 or unit of instruction because of the insolvency or cessation of  
162 operation of the school to which tuition has been paid. The executive  
163 director may summon by subpoena any person, records or documents  
164 pertinent to the making of a determination regarding insolvency or  
165 cessation of operation. For the purpose of making any tuition refund  
166 pursuant to this section, a school shall be deemed to have ceased  
167 operation whenever it has failed to complete a course or unit of  
168 instruction for which the student has paid a tuition fee and, as a result,  
169 the school's authorization has been revoked pursuant to section 10a-  
170 22f. If the executive director finds that the applicant is entitled to a  
171 refund of tuition because of the insolvency or cessation of operation of  
172 the school, the executive director shall determine the amount of an  
173 appropriate refund which shall be equal to [or a portion of] the tuition  
174 paid for the uncompleted course or unit of instruction. Thereafter the  
175 executive director shall direct the State Treasurer to pay, per order of  
176 the Comptroller, the refund to the applicant or persons, agencies or

177 organizations indicated by the applicant who have paid tuition on the  
178 student's behalf. If the student is a minor, payment shall be made to  
179 the student's parent, parents or legal guardian. In no event shall a  
180 refund be made from the student protection account for any financial  
181 aid provided to or on behalf of any student in accordance with the  
182 provisions of Title IV, Part B of the Higher Education Act of 1965, as  
183 amended from time to time. Each recipient of a tuition refund made in  
184 accordance with the provisions of this section shall assign all rights to  
185 the state of any action against the school or its owner or owners for  
186 tuition amounts reimbursed pursuant to this section. Upon such  
187 assignment, the state may take appropriate action against the school or  
188 its owner or owners in order to reimburse the student protection  
189 account for any expenses or claims that are paid from the account and  
190 to reimburse the state for the reasonable and necessary expenses in  
191 undertaking such action. Any student who falsifies information on an  
192 application for tuition reimbursement shall lose his or her right to any  
193 refund from the account.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017</i>	10a-22a(1)
Sec. 2	<i>July 1, 2017</i>	10a-22b(c)
Sec. 3	<i>July 1, 2017</i>	10a-22b(i)
Sec. 4	<i>July 1, 2017</i>	10a-22d(g)
Sec. 5	<i>July 1, 2017</i>	10a-22n
Sec. 6	<i>July 1, 2017</i>	10a-22v

***Statement of Purpose:***

To make revisions to the statutes concerning postsecondary career schools.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*